



General  
Services  
Administration

Federal  
Supply  
Service

Washington, DC 20406

Approved For Release 2003/05/23 : CIA-RDP83-00957R000100090003-6

May 6, 1980

STAT

[Redacted]  
Chief, Procurement Division  
Central Intelligence Agency  
Washington, DC 20505

STAT -

[Redacted]  
On March 6, 1980, the Administrator of the General Services Administration forwarded a letter to you outlining the GSA Furniture Management Reform Plan (Enclosure 1). A key part in the implementation of this plan is the appointment, by you, of a Property Management Officer (PMO) for your agency. This has been accomplished by most agencies. We now need your assistance in obtaining names of designated PMO's in your regional or field offices to work with the GSA regional people on the implementation of the plan (Enclosure 2). The name, title, telephone number and location of your field PMO's is requested by June 1, 1980; and should be forwarded to Mr. E. L. Harper, Assistant Commissioner, Office of Property Management, Crystal Mall 4, Room 1111, Washington, DC 20406 or telephone (703) 557-0393.

We continue to receive reports from our regional offices that not all agency field activities are aware of the Furniture Management Reform Plan. If you have not already done so, we suggest you inform your field counterparts of the key elements of this plan, perhaps by furnishing them a copy of the Administrator's March 6, 1980, letter.

The current validation underway by your PMO, on those requisitions containing a Julian date of 0057 or earlier (2/27/80), is moving very smoothly. We had originally established a date of April 15th for return of those requisitions, but after considering the workload involved, have now extended that date to June 1, 1980. In so doing, we will not be able to accept submissions after that date. The GSA will take action to cancel the requisitions not returned by June 1st.

We also request that validation replies returned by June 1, 1980, include a certification statement signed by the PMO as referenced in Item No. 4, (Enclosure 3) which was provided with the requisition listings distributed for validation. This PMO certification should express total comprehension and compliance with the Federal Property Management Regulations as discussed by my staff and members of your staff early last week.

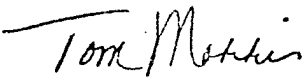
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At least one major Federal department, the Department of Agriculture, has cancelled all outstanding furniture requisitions and purchase orders (Enclosure 4). Other departments and agencies report that the majority of their orders are also being cancelled. You may also wish to consider such action and defer your furniture requirements, except for emergencies, for inclusion in your FY 1981 Requirements and Expense Plan.

In his letter of March 6, 1980, the Administrator identified several categories of authorized exceptions to the freeze imposed by OMB on agency procurement or ordering of furniture. The letter also advised that requirements for furniture not covered by the exceptions may be submitted to GSA with narrative justification. These requests must also contain the signature of your nationally designated PMO and should be addressed to my office. Hard copy FEDSTRIP/MILSTRIP requisitions should accompany these requests so that support action can be initiated immediately upon their approval.

I cannot say enough about the positive attitude displayed by the PMO's during this trying period of gaining control over management of personal property. We still have a long way to go in procedural implementation. I can assure you my organization has "turned to" to provide you the type of supply support you deserve.

Sincerely,

  
THOMAS D. MORRIS  
Commissioner

Enclosures

General  
Services

Administration, Washington, DC 20465

MAR 9 1980

The Administrator (A)

GSA Furniture Management Reform Plan.

Heads of Executive Departments and Establishments

Congressional and Executive Branch findings have revealed the need for significant improvement in the procurement and utilization of furniture. As a result, the Office of Management and Budget (OMB) has initiated a freeze on the procurement of office and household furniture by Executive Branch departments and agencies (Enclosure 1). The freeze will remain in effect until the GSA Furniture Management Reform Plan (Enclosure 2) has been initiated and each agency's furniture expense plan for FY 1981 is approved by OMB.

Five principal improvements comprise the GSA Furniture Management Reform Plan:

- (1) Fix responsibility at a high level in GSA and in each agency, i.e., Property Management Officer (PMO), for the management of furniture and other high value, high demand personal property;
- (2) Institute an intensive management program over high value, high demand, reparable furniture items - "Operation Validate;";
- (3) Institute procedures to assure full use of furniture reported as excess and of furniture not in use by individual agencies - "Operation Clean Sweep;";
- (4) Systematically determine furniture requirements of each agency and develop an expense plan for approval by OMB and review by GSA; and,
- (5) Improve furniture quality control procedures while insisting on simple but realistic specifications.

Summary descriptions of Operation Validate, Operation Clean Sweep, and Requirements and Expense Plan are provided (Enclosures 3, 4, 5).

ENCLOSURE 1

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The OMB Bulletin specifically "freezes" agency procurement or ordering of furniture from GSA or any other source, but provides that exceptions may be granted by GSA. Currently authorized exceptions include the Legislative and Judicial Branches, or other Government activities not subject to OMB direction such as the Postal Service, and the following:

- a. Requisitions for the 1980 Census Project;
- b. Requisitions for items supplied by the National Industries for the Blind and Severely Handicapped;
- c. Items ordered directly by agencies from Federal Prison Industries;
- d. Requisitions in support of national fire suppression programs;
- e. Definite quantity buys in support of properly validated requisitions received prior to February 27, 1980;
- f. Bureau of Indian Affairs Alaska - annual requisitions;
- g. Those items in Federal Supply Class 7110 that are neither office nor household furniture (safes, school and library furniture);
- h. State Department export orders; and,
- i. Export orders for other activities with Issue Priority Code 01 through 08.

Requisitions received in GSA with a Julian date of 0058\* or later will be rejected to the submitter and any designated recipients of status, bearing supply status code "CQ." Bonafide exceptions for emergency requirements should be submitted using normal exception data procedures in FEDSTRIP/MILSTRIP publications, and may be forwarded by letter if regular forms do not provide adequate space for narrative justification.

An important aspect of the plan is the appointment of an agency Property Management Officer(s). The PMO must have the knowledge, stature, authority and accountability required to effectively control the acquisition, utilization and disposal of designated personal property items. A more definitive explanation of the PMO is to evolve as the GSA Furniture Management Reform Plan is implemented. It is recommended that PMO's be a full-time position on the staff of the Assistant Secretary for Administration. For smaller agencies, the assignment can be the part-time responsibility of a suitable official.

Property Management Officers should be responsible for: requirements determination, standardization and simplification of specifications; property accountability; oversight of inventory and inventory levels; utilization of property and declarations of excess; rehabilitation and maintenance; and, participation in the contracting function in terms of specifications, testing and feedback on performance including life cycle testing.

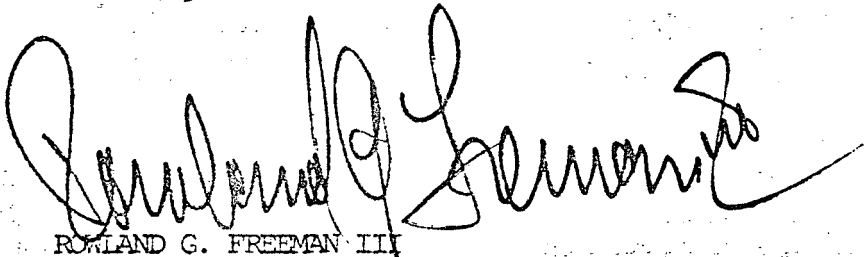
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Initial agency appointments of PMO's made prior to OMB approval of the GSA Furniture Management Plan are listed in Enclosure 6. We would appreciate your review of the qualifications of the appointees for conformance to the role of the PMO as outlined above. If an appointment has not yet been made by your agency, please do so in accordance with the above guidelines. Where more than one name is provided, perhaps for each major agency bureau, we would also appreciate your designating one name as the agency PMO.

The name of your Property Management Officer(s), and inquiries and requests for assistance, should be addressed to Mr. Herbert W. McCarthy, Deputy Commissioner for Requirements and Supply, Federal Supply Service (GSA), telephone (703) 557-8644.

The various initiatives are underway. With your cooperation we will be able to achieve meaningful reform in Executive Branch furniture procurement and management.



Handwritten signature of Rowland G. Freeman III.

ROWLAND G. FREEMAN III

Enclosures

## OVERALL REGIONAL CONTACT POINTS FOR THE

## GSA FURNITURE MANAGEMENT REFORM PLAN

<u>REGION</u>	<u>CONTACT POINT</u>	<u>TITLE</u>	<u>TELE. NO.</u>
1	Fred Forbes	Director, Supply Div., FSS	223-3186
2	Joe Hantman	ARA, FSS	264-3590
3	Robert L. Rogers	Director, Customer Relations Staff, Ofc. of Personal Prop.	597-1249
NCR	Peter Boulay	ARA, FSS	472-1701
4	Len Sheppard	ARA, FSS	242-5114
5	Jim Czysz	Staff Ass't. to the Regional Administrator	353-5395
6	Tom Morton	Supply Division	926-7318
7	Reuben Morgan	ARA, FSS	334-2516
8	John Vogt	ARA, FSS	234-3921
9	Oliver Thurmon	ARA, FSS	556-5743
10	Leroy Roberts	ARA, FSS	396-5291

ENCLOSURE 2

The following procedures apply to the attached validation listing:

1. All requisitions on the listing must be reviewed, validated or cancelled.
2. Confirmed valid requisitions must be annotated "valid" on the listing.
3. Requisitions requiring cancellation must be annotated "cancel".

NOTE: AGENCIES MUST PROCESS REQUISITION CANCELLATIONS THROUGH  
NORMAL ORDER PROCESSING CHANNELS USING DOCUMENT IDENTIFIER  
AC \_\_\_\_\_

4. The annotated validation listing must be certified by the Property Management Officer (PMO) or a senior official of the respective agency stating that the requested item(s) are not available from excess or surplus property within the agency or from other agencies and that procurement action is in full compliance with FPMR Sections 101-25, 104, 101-26.101 and 101-43.3.
5. Listings are to be returned to the National Furniture Center, FSS not later than May 15, 1980.

Due to the \$ volume of requisitions involved in this project, a small percentage of the listed requisitions may have been previously validated. Supply action for these requisitions will be taken according to the results of this validation effort.

Your cooperation in expeditiously completing this review is appreciated. Any questions regarding this effort can be directed to Marlene Stillahn, National Furniture Center at (703) 557-8457.

Enclosure 3

U.S. DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
OFFICE OF OPERATIONS AND FINANCE  
Washington, D.C. 20260

NOTICE O&F-AS-13  
AS, Deputy Director  
April 11, 1980

# MORATORIUM ON FURNITURE PURCHASES

TO: Departmental Procurement and Property Officers

1. PURPOSE: The total moratorium on the procurement of all office and household furniture in the following Federal Supply Classes by any activity of the Department of Agriculture from any source is continued:

6230	7105	7110	7125	7195	7220	7230
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2. BACKGROUND: The procurement and management of furniture by the Federal Government is under continuing scrutiny by the Inspectors General of each Federal Department and a Congressional subcommittee. New furniture procurements have been made in large quantities despite the fact that similar items are available from storage or excess or that items in use could be reassigned, repaired or rehabilitated to satisfy the requirements. As a result, the General Services Administration (GSA) established a moratorium on 11 Federal Supply Classes (FSC) on October 11, 1979. Subsequently an Office of Management and Budget (OMB) moratorium superseded the GSA moratorium on February 27, 1980, and covered all FSC 71 items. The Office of Inspector General investigation in the Department of Agriculture revealed that agencies of the Department have continued to buy furniture despite the GSA and OMB moratoriums. This notice establishes a total moratorium on the procurement of items in the Federal Supply Classes listed above by any activity of the Department of Agriculture from any source--no purchase of items in these classes are authorized and any current, but unfilled orders for items in these classes are to be cancelled immediately. Rental of property in these FSC's is included in this moratorium.

DISTRIBUTION: Action: USDA offices having procurement and property management responsibility (Mailing List 98001)

ENCLOSURE 4

Office of Operations and Finance is an Equal Opportunity Employer.



NOTICE O&F-AS-13

3. ACTION:

A. Orders already issued, but not yet filled.

- i. The Department has instructed GSA and Federal Prisons Industries (FPI) to cancel all unfilled furniture orders they now have on hand from any USDA activity. This will result in all FEDSTRIP orders and FPI orders for new furniture being cancelled. Ordering units must ensure termination of these orders and relief from obligation of funds by entering cancellation notices for orders affected by this action.
- ii. Any other orders you have outstanding for items in the Federal Supply Classes in 1. above shall be immediately terminated. This includes any orders placed with Federal Supply Schedule contractors or open market purchases of items in the above classes, regardless of dollar amount.
- iii. Cancelled FEDSTRIP and FPI orders that may qualify as emergency requests will have to be resubmitted using the procedures outlined in B. below. Orders already approved by the Assistant Secretary for Administration as emergencies should be resubmitted to GSA attaching the justification and the approval signed by the Assistant Secretary for Administration.
- iv. Through agency channels, and in letter format, notify the Office of Operations and Finance (Deputy Director, Administrative Services), of the number of FEDSTRIP and purchase orders cancelled and the amount of funds involved. This report is due by May 15, 1980.

B. Current or future emergency requirements.

- i. During the moratorium, furniture may be acquired only if the following three conditions are met:
  - a. An emergency exists; and
  - b. The requirement cannot be filled from excess or by rehabilitation, repair or reassignment; and
  - c. The emergency request is approved by the Assistant Secretary for Administration.

Requests for waivers must be based on an emergency requirement for furniture. An emergency is a situation that poses a danger to the safety or health of a person, a natural disaster such as fire or flood, or circumstances that significantly impact the ability of an agency to accomplish its mission.

April 11, 1980

Page 2

NOTICE O&F-AS-13

- ii. Requests for waivers shall include a statement explaining the nature of the emergency and describe efforts made to locate the needed items through excess, rehabilitation or reassignment of items presently in use, including contacts within USDA, GSA, and other Federal Departments. Waiver requests must specifically identify the quantity and nature of the items proposed to be acquired.
- iii. Requests for waivers shall be routed through normal agency channels. Agency Headquarters shall forward appropriate requests, signed by the Administrator or Deputy Administrator for Management, and addressed to the Assistant Secretary for Administration, through:

Chief, Personal Property Management Division  
Office of Operations and Finance  
Room 1532 - South Building

- iv. Office of Operations and Finance will review the requests for waivers and, if deemed complete and justified, will refer those requests to the Assistant Secretary for Administration with a recommendation for approval. Requests that the Office of Operations and Finance do not recommend for approval will be returned to the submitting official.
- v. When a waiver is granted and the source of supply is GSA (FEDSTRIP only), follow these procedures:
  - a. Place the order directly with GSA using an SF-344, Multiuse Standard Requisition/Issue System Document, and attach a copy of the request, including your justification and the approval signed by the Assistant Secretary for Administration.
  - b. Prepare an AD-633, Multiuse Standard Requisitioning/Issue System Document, and submit it to the National Finance Center. Make certain that "GSA" is entered in Block 1 to indicate that the order has been placed directly with GSA (Voucher and Invoice Payments Manual, Title II, Chapter 4, Section 1, FEDSTRIP, page 24).

- 4. EFFECTIVE DATE: The date of this notice.
- 5. EXPIRATION DATE: This notice remains in effect until specifically superseded.
- 6. DISPOSITION: Retain this notice until rescinded.

April 11, 1980

Page 3

7. INQUIRIES: Direct all inquiries through your agency headquarters procurement or property officer, as appropriate. Unresolved questions relating to property management may be directed to Walter Fox, Personal Property Management Division, (202) 447-4321 (FTS: 447-4321); relating to procurement management may be directed to Don Manns, Procurement Division, (202) 447-7527 (FTS: 447-7527).

  
DEAN K. CROWTHER  
Director

April 11, 1980

Page 4

*Info*

Dear:

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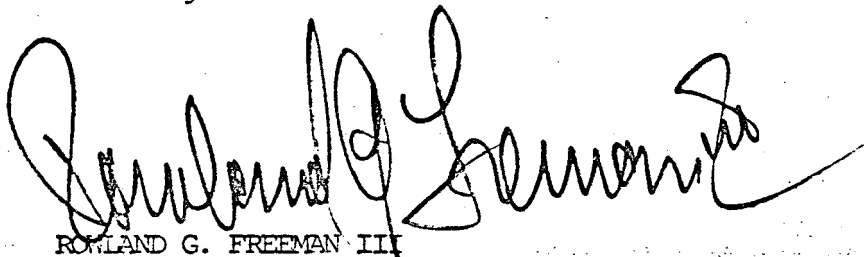
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The various initiatives are underway. With your cooperation we will be able to achieve meaningful reform in Executive Branch furniture procurement and management.

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ROWLAND G. FREEMAN III

Enclosures



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UNITED STATES DEPARTMENT OF AGRICULTURE  
OFFICE OF THE SECRETARY  
OFFICE OF OPERATIONS AND FINANCE  
Washington, D.C. 20250

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NOTICE O&F-AS-13  
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DISTRIBUTION: Action: USDA offices having procurement and property management responsibility (Mailing List 98001)

ENCLOSURE 4

Office of Operations and Finance is an Equal Opportunity Employer.

NOTICE O&F-AS-13

3. ACTION:

A. Orders already issued, but not yet filled.

- i. The Department has instructed GSA and Federal Prisons Industries (FPI) to cancel all unfilled furniture orders they now have on hand from any USDA activity. This will result in all FEDSTRIP orders and FPI orders for new furniture being cancelled. Ordering units must ensure termination of these orders and relief from obligation of funds by entering cancellation notices for orders affected by this action.
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- 4. EFFECTIVE DATE: The date of this notice.
- 5. EXPIRATION DATE: This notice remains in effect until specifically superseded.
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April 11, 1980

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7. INQUIRIES: Direct all inquiries through your agency headquarters procurement or property officer, as appropriate. Unresolved questions relating to property management may be directed to Walter Fox, Personal Property Management Division, (202) 447-4321 (FTS: 447-4321); relating to procurement management may be directed to Don Manns, Procurement Division, (202) 447-7527 (FTS: 447-7527).

  
DEAN K. CROWTHER  
Director

April 11, 1980

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